

BOARD OF DIRECTORS – ACTION SUMMARY

Wednesday, June 23, 2004 – 6:00 p.m.

**Administration Building
2101 Hurley Way, Sacramento, CA**

CALL TO ORDER

The meeting was called to order by President Stewart. Board Members present: Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, Valley. Directors Goold and Jones, absent. Staff: Deputy Chief Ritter, General Counsel Price, Board Clerk Tilson.

PLEDGE OF ALLEGIANCE

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA

CONSENT AGENDA:

1. Board Meeting Action Summary—June 9, 2004

- **Board Action:**
Trujillo/Engellenner—approve the Consent Agenda. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, AYE. Director Valley, abstaining. Directors Goold and Jones, absent. Motion carried.

ACTION ITEM(S)

1. Resolution No. 34-04—Subsidy of Medical Benefits for SCERS Annuitants—(Appel)

- Director Valley was recused from the meeting on Action Items No. 1 and 2 due to a conflict of interest.
- This Resolution supersedes Resolution No. 32-04 adopted June 9, 2004, to establish a revised healthcare benefits premium subsidy administered through the County; renewable on an annual basis.
- Staff recommends adoption of the resolution to increase the healthcare benefits premium subsidy to an amount equal to the level previously contributed by SCERS, consistent with the County subsidy.

A draft Special District Retiree Medical Participation Agreement with the County of Sacramento was distributed to the Board. In addition, staff recommended that the Fire Chief be authorized to execute the Agreement being redrafted by General Counsel allowing the District to participate in the County's Retiree Benefit Programs and make a contribution in accordance with the terms.

- There is no impact on the current bargaining agreement, with no need to craft any language with the Union.
- **Board Action:**
Engellenner/Granados—adopt the Resolution and authorize the Fire Chief to execute the final Contract Agreement with the County. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, AYE. Directors Goold, Jones, Valley, absent. Motion carried.

Dave Rowell, a Florin retiree, speaking on behalf of the other fellow retirees, thanked the Board and Deputy Chief Appel for their support.

2. Resolution No. 35-04—District Subsidy of Medical Benefits for SCERS Annuitants—(Appel)

- A two-page staff report was submitted providing background information.
- The District would reduce its annual financial obligation by \$19,556.16 by eliminating subsidies for dual healthcare program participation and the inequity in dental insurance coverage for the eight former Florin employees.
- Staff recommends the Board adopt the Resolution to provide a policy limiting the number of medical programs to one plan per employee or annuitant offered through either CalPERS or SCERS, including Medicare coordinated programs. The District will either pay for the plan through its general fund or subsidize through its retirement systems and, as a matter of equity, not pay for a dental program that is not available to all annuitants.
- **Board Action:**
Engellenner/Duveneck—adopt the Resolution. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, AYE. Directors Goold, Jones, Valley, absent. Motion carried.

Director Valley returned to the meeting.

3. Resolution No. 36-04—Grant Program Signatory Authorization—(Mugartegui)

- The District has applied for and is receiving multiple grants from the State Domestic Preparedness/State Homeland Security Grant Programs. The total amount of Grant money will be approximately \$1,630,000.

- As part of receiving Grant funding, the District must provide a guarantee in the form of a resolution to the County of Sacramento and the State of California giving signatory authorization to designated District staff for these Grants. Due to the retirement of Assistant Chief Simcoe and the work status change of Battalion Chief Dale Turner back to line duty, the District needs to update its signatory authorization.
- Staff recommends adoption of the grant program signatory authorization Resolution providing an updated signatory authorization to designated District staff for the grant funding as follows: Fire Chief Rick Martinez, Deputy Chief Wynn Latta, or Battalion Chief Gregory J. Mugartegui.
- The Resolution will be amended later to include the Director of Finance after date of hire.
- **Board Action:**
Engellenner/Granados—adopt the Resolution. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, Valley, AYE. Directors Goold and Jones, absent. Motion carried.

4. Resolution No. 37-04—Industrial Disability Retirement Application-Engineer Mark P. Patterson—(Appel)

[Taken out of order after Closed Session]

- Work related injury precluding performance of duties in the position of Fire Engineer.
- Application filed with the Public Employees' Retirement System.
- Recommend approval; retirement effective July 1, 2004.
- **Board Action:**
Trujillo/Valley—adopt the Resolution. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, Valley, AYE. Directors Goold and Jones, absent. Motion carried.

5. Declare Vacancy Division 7—Authorize Board Clerk to Post the Notice—(Price)

[Taken out of order after Action Item No. 6]

- Board Clerk Tilson distributed the Fire Board Vacancy Notice to the Board accompanied by an Application for the position of Director, Division 7, and a map of the Division 7 area with a brief boundary line description.
- If the Board elects to post the Notice for applications for an interim appointment, the person appointed shall hold office until the next General District Election on November 2, 2004, and thereafter until the person elected has been qualified.

Applicants for appointment must be a registered voter residing within the District. While all interested applicants will be considered, applicants from Division 7 are encouraged to apply.

The Application for Director and a letter of interest must be received by noon, July 19, 2004, by the Board Clerk.

- **Board Action:**
Granados/Trujillo—Declare the seat vacant with the resignation of Director Stewart and post the Fire Board Vacancy Notice for Division 7. Directors Duveneck, Engellenner, Granados, Lawson, Trujillo, Valley, AYE. Directors Goold and Jones, absent. Motion carried.

6. Resolution No. 38-04—Calling General District Election—Amending Resolution No. 29-04—(Price)

[Taken out of order prior to Action Item No. 5 following the resignation of President Jim Stewart under Board Member Questions and Comments]

- Resolution No. 29-04 was adopted May 12, 2004, declaring an election will be held within the Sacramento Metropolitan Fire District on November 2, 2004 for the purpose of electing Directors for Divisions Two (2), Four (4), Five (5), Six (6), and Eight (8) to full-term positions of four years, and consolidating the election with the statewide election.
- Resolution No. 38-04 amends Resolution No. 29-04 to include the addition of Director for Division Seven (7) for election to a short-term position to expire in the year 2006, due to a vacancy effective as of June 23, 2004.
- **Board Action:**
Granados/Lawson—adopt the Resolution. Directors Duveneck, Engellenner, Granados, Lawson, Trujillo, Valley, AYE. Directors Goold and Jones, absent. Motion carried.

PRESENTATION ITEM(S): None.

PRESIDENT'S REPORT—(Stewart) None.

FIRE CHIEF'S REPORT—(Deputy Chief Ritter)

[Taken out of order after Committee and Delegate Reports]

- Distributed to the Board a two-page Vehicle Liquidation Report requested for information at the last meeting.

Outreach efforts to be increased for donation of equipment targeting less fortunate local fire agencies, with plans to include announcement on the District website.

- There will be a vacancy on the California Special Districts Association Board of Directors. Any Director interested in being nominated for the position should forward the information to Board Clerk Tilson.

Director Granados expressed an interest in the nomination.

- The District received a circular letter today from CalPERS advising the District of a 23.71% increase in our health plan premiums, effective January 1, 2005.

Update report to be provided with the Final Budget presentation.

- Deputy Chief Appel stated PERS contacted the District relative to their projected earnings on the actuarial assumptions on their investments. Annual earnings were projected at 8¼% but, due to poor stock market performance, it has been reduced to 7.75% with an estimated increase in the employer's portion of contributions to 33% in January versus 27% currently. In addition, the District also pays the 9% for the employees. Staff will bring back a proposal for the final budget for possible reduction in costs.

GENERAL COUNSEL'S REPORT—(Price)

- Requested the addition of a Closed Session item relative to Anticipated Litigation, which came to the attention of the District after the Agenda was posted.

- **Board Action:**

Engellenner/Granados—add the Anticipated Litigation item to the Closed Session. Directors Duveneck, Engellenner, Granados, Lawson, Stewart, Trujillo, Valley, AYE. Directors Goold and Jones, absent. Motion carried.

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(Stewart)**

- Next meeting: TBA

Communications Center Delegate—(Engellenner)

- The new Communications Center Manager starts July 1, in time for the 4th of July.
- Next Meeting: June 29, 2004 – 10:30 a.m.

California Fire & Rescue Training Authority—(Goold)

- Next Meeting: TBA

Finance Committee—(Valley)

- Received presentation—ambulance revenue report.
- Next meeting: July 28, 2004 – 5:00 p.m.

Policy Committee—(Granados)

- Next meeting: July 14, 2004 – 5:00 p.m.

RECESS TO CLOSED SESSION 6:30 PM**RECONVENE TO OPEN SESSION 7:15 PM**

Report by General Counsel Price:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(a) – One (1) Case

Mark Patterson vs Sacramento Metropolitan Fire District
WCAB SAC 0296052

The Board discussed the medical basis for the industrial disability retirement.

Resolution to be considered under Action Item No. 4 on the Agenda.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9: One (1) Case

The Board was briefed and provided direction to staff. No action taken.

BOARD MEMBER QUESTIONS AND COMMENTS**Stewart:**

- Admired the haz mat truck on display in front of the Administration Building. It is manned at his old Station 109. He requested it be named Queen Mary II in commemoration of the first predecessor truck stationed there when he went to work in 1965.
- **Board Action:**
Lawson/Duveneck—unanimous vote by members present in favor of naming the truck Queen Mary II.
- President Stewart stated he submitted his letter of resignation from the Board of Directors and turned the President's gavel over to Secretary Engellenner to chair the remainder of the meeting.

Wholehearted congratulations and best wishes were extended by all.

General Counsel Price stated the Board Clerk is in receipt of the original letter of resignation, which will be effective at this time on June 23, 2004.

Lawson:

- Congratulated all the new candidates to Metro Fire. He and Director Engellenner attended the Metro Fire Recruit Academy Class 04-1 graduation on June 11. He spoke with one of the recruits from his area, David Martinez, already actively engaged in the workout field doing all the proper things and acknowledged the merits of the program.
- Thanked Project Manager Chuck Horel for his presentation at a community event on Station 32. Need to examine where the sleeping quarters will be located due to the heavy traffic on Hazel Avenue to assure rested staff.

Trujillo:

- Echoed the same sentiments as Director Lawson.
- Best wishes extended to Jim Stewart and thanked him for his leadership on the Board.
- Thanked Project Manager Chuck Horel and Assistant Chief Haverty for their Board presentation at the Fair Oaks School – received unanimous support.

Granados:

- Aerojet donated 400 life vests to the Water Rescue Program.
- Thanked Jim Stewart and wished him well in El Dorado Hills.

Duveneck:

- Congratulated everyone involved with the haz mat truck - great acquisition.
- Thanked Jim Stewart for their times together during the last two years.
- Kudos to Stations 105, 106, and 107. Monday, a house fire in Arden Park was knocked down quickly in the heat wave. Acknowledged the work of a firefighter.

Stewart:

- Enjoyed working for the Board and the citizens of the Metro Fire District.
- Feels we have accomplished a lot – kept our employees up equal to the surrounding areas and in the country.
- Proud of the accomplishment of the station relocation program – it was needed since he came on the job in 1965.
- Sold his home and is not seeking reappointment – moving to El Dorado Hills July 14.
- Thanked the Board for all the help in accomplishing what was done and he was privileged to be a small part.

Engellenner:

- Requested the Board Clerk schedule an Executive Committee meeting following adjournment of the next regular meeting for an appointment to the Finance Committee pending the consideration for election of Director Jones as President.
- Attended the Metro Fire Recruit Academy Class 04-1 graduation on June 11 with Director Lawson.

ADJOURNMENT: The meeting was adjourned at 7:30 p.m.

Charlotte Tilson, Clerk of the Board

H. Peter Engellenner, Secretary